
TITLE 405 OFFICE OF THE SECRETARY OF FAMILY AND SOCIAL SERVICES

Notice of Intent to Adopt a Rule

LSA Document #11-420

Under [IC 4-22-2-23](#), the Office of the Secretary of Family and Social Services intends to adopt a rule concerning the following:

OVERVIEW: Amends [405 IAC 5-19-1](#) to modify the Medicaid rate setting methodology for medical supplies by establishing the Medicare fee schedule amounts as the basis for calculating medical supply rates, before acquisition cost or the manufacturer's suggested retail price are utilized. Amends [405 IAC 5-19-3](#) to modify the Medicaid rate setting methodology for durable medical equipment (DME) by establishing acquisition cost and the manufacturer's suggested retail price as the basis for calculating DME rates in addition to the Medicare fee schedule amounts. Amends [405 IAC 5-19-13](#) to modify the rate setting methodology for hearing aids by establishing acquisition cost and the manufacturer's suggested retail price as the basis for calculating hearing aid rates and to establish a hearing aid dispensing fee. Adds [405 IAC 5-19-19](#) to modify Medicaid reimbursement formulas by reducing rates currently paid for medical supplies, durable medical equipment (DME) (which includes, but is not limited to, prosthetics, canes, walkers, crutches, wheelchairs, and oxygen) and hearing aids with maximum fee schedule rates in effect prior to July 1, 2011, by five percent for the period beginning on the effective date of this rule and continuing through June 30, 2013. Repeals LSA Document #11-383(E), posted at [20110629-IR-405110383ERA](#). Comments and questions may be addressed to the Small Business Regulatory Coordinator for this rule. Statutory authority: [IC 12-8-6-5](#); [IC 12-15-1-10](#); [IC 12-15-21-2](#).

For purposes of [IC 4-22-2-28.1](#), the Small Business Regulatory Coordinator for this rule is:

David Garner
Indiana Family and Social Services Administration
Office of Medicaid Policy and Planning
Indiana Government Center South
402 West Washington Street
Indianapolis, IN 46204
(317) 232-2091
david.garner@fssa.in.gov

For purposes of [IC 4-22-2-28.1](#), the Small Business Ombudsman designated by [IC 5-28-17-5](#) is:

Ryan Asberry
Indiana Economic Development Corporation
One North Capitol, Suite 700
Indianapolis, IN 46204
(317) 232-8962
smallbizombudsman@iedc.in.gov

Resources available to regulated entities through the small business ombudsman include the ombudsman's duties stated in [IC 5-28-17-5](#), specifically [IC 5-28-17-5\(9\)](#), investigating and attempting to resolve any matter regarding compliance by a small business with a law, rule, or policy administered by a state agency, either as a party to a proceeding or as a mediator.

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